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The situation in Central America: procedures for the establishment of a firm and lasting peace and progress in fashioning a region of peace, freedom, democracy and development

United Nations Verification Mission in Guatemala: programme budget implications of draft resolution A/53/L.20

Report of the Advisory Committee on Administrative and Budgetary Questions

1. The Advisory Committee on Administrative and Budgetary Questions has considered the statement (A/C.5/53/32 and Corr.1), submitted by the Secretary-General in accordance with rule 153 of the rules of procedure of the General Assembly, of programme budget implications of draft resolution A/53/L.20, under which the mandate of the United Nations Verification Mission in Guatemala (MINUGUA) would be extended until 31 December 1999. The Committee has also considered the performance report of MINUGUA for the period from 1 January to 31 December 1998 (A/C.5/53/25 and Corr.1). During its consideration of those documents, the Committee met with representatives of the Secretary-General who provided additional information.

2. The General Assembly, in paragraph 5 of its resolution 51/198 B of 27 March 1997, authorized the renewal of the mandate of the United Nations Mission for the Verification of Human Rights and of Compliance with the Commitments of the Comprehensive Agreement on Human Rights in Guatemala, to be known thenceforth as the United Nations Verification Mission in Guatemala, for a further period of one year, until 31 March 1998, to carry out international verification of the peace agreements signed in Guatemala on 29 December 1996. By resolution 52/175 of 18 December 1997, the General Assembly renewed the Mission's mandate from 1 April to 31 December 1998.

3. As indicated in paragraph 3 of the report of the Secretary-General (A/53/288), the calendar for implementation agreed upon by the parties on 29 December 1996 consists of three consecutive phases, the first of which was completed in the first 90 days of 1997; the second covered the remainder of 1997. The third phase, from 1998 to 2000, was addressed in the 1997 statement of programme budget implications (A/C.5/52/21 and Add.1) and, currently, in the programme budget implications under consideration for 1999 (A/C.5/53/32 and Corr.1). This third phase, besides further developing those measures taken in the second one, includes the development of social and productive investment, modernization and decentralization of the State, reform of public administration, rural development, fiscal reform and the restructuring of public security and national defence (see A/C.5/53/32 and Corr.1, para.7).

4. The Committee notes, however, from paragraph 3 of the third report of the Secretary-General on the verification

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of compliance with the agreements signed on 29 December 1996 (A/53/421 and Corr.1), that the implementation of important commitments under the second phase had to be postponed and that a revised schedule, for the remainder of 1998 and for 1999, is being prepared by the Commission to Follow up the Implementation of the Peace Agreements in consultation with the State institutions and the organizations directly involved in the implementation of the peace agreements.

Performance report for the period from 1 January to 31 December 1998

5. The report of the Secretary-General (A/C.5/53/25 and Corr.1) contains the preliminary financial performance report of MINUGUA for the period from 1 January to 31 December 1998, as requested by the Advisory Committee in its previous report (A/52/707, para. 22), to allow better monitoring of the resources appropriated for MINUGUA. The Committee commends the Secretary-General for the format and presentation of the performance report.

6. The Committee notes, as indicated in paragraph 5 and annex I of the Secretary-General's report (A/C.5/53/25 and Corr.1) that of the total appropriation of $38,871,100 gross ($36,523,000 net) covering the two mandate periods of the Mission for 1998 (1 January to 31 March, and 1 April to 31 December), expenditures and obligations are estimated at $34,192,500 gross ($31,515,000 net). The resulting estimated unencumbered balance is $4,678,600 gross, or 12 per cent gross of the amount appropriated ($5,008,000 net, or 13.7 per cent in net terms of the amount appropriated).

7. The Committee notes that the unencumbered balance results in great part from savings reported under civilian personnel costs ($3,959,600), owing to higher then anticipated vacancy rates for the period. In this regard, paragraphs 3 and 4 of annex II indicate an overall vacancy rate for the first mandate period, from 1 January to 31 March 1998, of 5.6 per cent, compared to the 5 per cent turnover factor applied to all staff. Moreover, for the rest of 1998, overall vacancy rates are projected at 12.8 per cent for the international staff and at 9.2 per cent for staff at the local level, while provisions were made for vacancy rates of 10 per cent for international staff and 5 per cent for staff at the local level. In addition to the vacancy factor, lower than anticipated expenditure levels resulted from the fact that 71 posts, of the 82 authorized Professional staff, have been filled by Mission appointees, resulting in savings, in relation to mission subsistence allowance, and from the decrease in the average in the average monthly cost of volunteers due to the fact that most of the volunteers come from countries in the area, reducing the travel element per volunteer.

8. The Committee further notes projected savings of $611,200 under transport operations, of an appropriated amount of $3,879, 900, because of the lower actual cost of vehicles purchased than that used in the standards; and savings in air operations of $236,300 of an appropriated amount of $1,849,400, resulting from differences in the assumptions at the time of the preparation of the budget and actual contractual arrangements. The Committee was informed, upon inquiry, that new contractual arrangements, as from June 1998, provide for the rental of a helicopter at a fixed monthly rate of $79,212 for 60 flying hours per month, 20 additional hours at a monthly rate of $400, positioning and depositioning costs of $100,000, and insurance costs of $4,000 for the period. Rental of an aircraft is at a fixed monthly rate of $32,100 for 20 flying hours per month, 10 additional hours per month at the rate of $1,100 and insurance of $4,000 for the period.

9. In paragraph 6 of the Secretary-General's report (A/C.5/53/25 and Corr.1) the General Assembly is requested to take note of that report and take into account the estimated reduction of $4,678,600 gross ($5,008,000 net) during its consideration of the statement of programme budget implications of draft resolution A/53/L.20, by which it would decide to extend the mandate of MINUGUA beyond 31 December 1998. The Committee concurs with this recommendation (see paras. 17 and 18 below).

Programme budget implications of draft resolution A/52/L.20

10. The programme budget implications (A/C.5/53/32 and Corr.1) are based on the decision to extend the mandate of the Mission from 1 January to 31 December 1999 (A/53/L.20, para. 8), and on the changes authorized by the General Assembly in its resolution 52/175, implemented since then. Those changes, as indicated in paragraph 12 of the Secretary-General's report (A/53/288), included the strengthening of the Office of the Deputy Chief of Mission/Field Coordinator; minor adjustments to the staffing of regional offices and sub-offices; providing the Spokesman and the Office of Public Information with national officers to serve as information liaisons in the regions; and an increase in the contingent of civilian police observers and the military liaison team. The Mission would thus continue its comprehensive functions, consistent with the parties' requests contained in the agreements of December 1996, and

conforming to the calendar for implementation of those agreements, which should be finalized in 2000.

11. The Committee recalls that, in its 1997 report (A/52/707), it recommended that the General Assembly appropriate an amount of $61,815,100 net for the 21-month period from 1 April 1998 to 31 December 1999. In a revision to the draft resolution then under consideration, the end of the mandate period was changed to 31 December 1998, and an amendment to the related cost requirements was submitted (A/C.5/52/21/Add.1) indicating that the required appropriation would be $29,962,800 gross ($28,200,000 net). The General Assembly subsequently approved, in its resolution 52/221 A of 22 December 1997, the adjusted appropriation for the period from 1 April to 31 December 1998.

12. As indicated in paragraph 12 and annex I of the statement of programme budget implications (A/C.5/53/32 and Corr.1), the estimated costs of the extension of the mandate of MINUGUA for an additional period of 12 months, from 1 January to 31 December 1999, amount to $29,785,100 gross ($27,648,800 net).

13. The proposed staffing structure to meet the demands of the verification process is described in paragraphs 8 to 11 and table 1 of the statement. The Committee notes that the proposed staffing component remains unchanged, and takes into account the adjustments made by the Committee in its 1997 report (A/52/707) and approved by the General Assembly in its resolution 52/175 (see A/C.5/53/32 and Corr.1, para. 9). The only minor adjustment proposed is the conversion of three international General Service staff into the local level category in the Spokesperson's Office/Public Information, the human rights verification area and Administration (ibid., para. 11). The Committee notes that 18 international staff were already converted into the local level category in the context of the budget for 1998. The Secretary-General should keep under review the question of replacing international staff with local staff.

14. The Committee notes that the experience gained during the current biennium has been applied in estimating the requirements for 1999, in particular with regard to civilian personnel costs. Paragraph 3 of annex III.B indicates that a vacancy rate of 10 per cent and the provision of a New York post adjustment for only 11 of the 82 international staff at the Professional level have been assumed. A new provision of $70,000 is included under overtime of 219 local level staff, and a provision for death and disability compensation, amounting to $76,500, as requested by the Committee in its previous report (A/52/702, para. 15), is now included, providing an amount of $1,500 for each civilian police observer per annum.

15. A decrease is shown under air operations from $1,849,400 (1 January to 31 December 1998) to $1,672,800 for 1999, which reflects the new contractual arrangements described in paragraph 8 above. A decrease, from $3,879,900 (1 January to 31 December 1998) to $982,200 for 1999, is indicated under transport operations. The Committee notes, from the information provided in paragraph 9 of annex III.B, that, of the 171 vehicles to be replaced, as proposed in 1997 (A/C.5/52/21), 152 were replaced as anticipated in 1998 and 19 will be replaced in 1999, for which a provision of $282,900 is included. The provision for spare parts, repairs and maintenance has decreased, from $483,200 for 1998 to $356,300 for 1999, in line with the recommendation made by the Committee in its previous report (A/52/707, para. 19).

16. Annex IV to the statement of programme budget implications provides information on the voluntary contributions received by the Mission from donor Governments for the purpose of implementing a variety of institution-building projects and activities in support of the peace process and implementation of the peace agreements, not provided for through international cooperation and implemented separately from the mandate of the Mission itself. The Committee notes that for the period from 1 April 1997 to 31 December 1998 expenditures incurred amount to $2,868,900, and that the balance of contributions available for the next mandate period is $936,643.

17. The Committee notes, as indicated in paragraph 16 of the statement, that the estimated requirements for 1999 of $27,648,800 under section 3 of the proposed programme budget for the biennium 1998–1999 would be partially offset by the unencumbered balance of $5,008,000 from the appropriation approved for the activities of the Mission for the period from 1 January to 31 December 1998 (see para. 9 above).

18. In paragraph 17 of the statement it is further indicated that, should the General Assembly adopt draft resolution A/53/L.20, an additional appropriation of $22,640,800 would be required, under section 3, Peacekeeping operations and special missions, of the proposed programme budget for the biennium 1998–1999 for the activities of MINUGUA. The Committee also notes that an additional appropriation of $2,465,700 would be required under section 32, Staff assessment, to be offset by a corresponding amount under income section 1, Income from staff assessment. The Committee does not recommend any reduction in the estimates proposed by the Secretary-General, on the understanding that resources will continue to be managed efficiently and expenditures carefully monitored.